

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

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MEMORANDUM

TO: Adams Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: January 26, 2017

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on January 1 of each fiscal year. The schedule is effective in FY17 (since the amount under the prior schedule was maintained in FY17) and is acceptable under Chapter 32.

The revised schedule reflects the adoption of a fully generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

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Adams Retirement System January 1, 2016 Actuarial Valuation

Total Appropriation Increases 5.0% through FY34 with a final amortization payment in FY35

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Net</u> <u>3(8)(c)</u>	<u>Amort. of</u> <u>UAL</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>Total Cost</u> <u>% Increase</u>
2017	627,266	75,000	777,181	1,479,447	12,835,449	
2018	655,493	75,000	822,927	1,553,419	12,929,548	5.0%
2019	684,990	75,000	871,101	1,631,090	12,982,887	5.0%
2020	715,814	75,000	921,830	1,712,645	12,990,100	5.0%
2021	748,026	75,000	975,251	1,798,277	12,945,312	5.0%
2022	781,687	75,000	1,031,504	1,888,191	12,842,099	5.0%
2023	816,863	75,000	1,090,737	1,982,600	12,673,440	5.0%
2024	853,622	75,000	1,153,109	2,081,730	12,431,668	5.0%
2025	892,035	75,000	1,218,782	2,185,817	12,108,417	5.0%
2026	932,176	75,000	1,287,931	2,295,108	11,694,567	5.0%
2027	974,124	75,000	1,360,739	2,409,863	11,180,177	5.0%
2028	1,017,960	75,000	1,437,396	2,530,356	10,554,425	5.0%
2029	1,063,768	75,000	1,518,106	2,656,874	9,805,530	5.0%
2030	1,111,638	75,000	1,603,080	2,789,718	8,920,677	5.0%
2031	1,161,661	75,000	1,692,542	2,929,204	7,885,936	5.0%
2032	1,213,936	75,000	1,786,728	3,075,664	6,686,170	5.0%
2033	1,268,563	75,000	1,885,884	3,229,447	5,304,939	5.0%
2034	1,325,649	75,000	1,990,271	3,390,920	3,724,395	5.0%
2035	1,385,303	75,000	1,990,275	3,450,578	1,925,172	1.8%
2036	1,447,642	75,000		1,522,642	0	

Appropriation payments assumed to be made on January 1 of each fiscal year

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$165,000

FY17 appropriation maintained from current schedule.